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The Honorable Pete Lund
House of Representatives
374 Capital Building
P.O. Box 30014
Lansing, MI 48909

Dear Mr. Lund,

I am writing to you as someone who has first hand experience in dealing with long term care required by a loved one after a spinal cord injury and a Michigan-based business owner. In 1999 my fiancés' neck was broken in an auto accident; he suffered a C5-6 level injury, and is now a wheelchair bound quadriplegic. His mind is intact, but in order to live, he requires 24 hour nursing care each and every day. His accident changed his life forever. It also changed the lives of many other people connected to him, including my own.

- After seeing the intense medical care needs required to provide a safe and healthy lifestyle for spinal cord injury survivors, I decided to develop a private duty healthcare division within our staffing company, Entech Medical Staffing.
- This division of Entech specializes in providing high quality, private duty home care, with a specific focus working with spinal cord injury and traumatic brain injury survivors
- The Michigan No-Fault Act provided the springboard from which I was able to build a successful division in my company, producing hundreds of good paying jobs – not just minimum wage jobs.
- The hundreds of people we employ throughout Southeastern Michigan pay taxes, buy automobiles and vote. They also provide the valuable services of ensuring that individuals who have lost the use of their arms and legs are able to have a decent quality of life.

I have not doubt that, if Michigan did not have the current No-Fault Insurance system in place in 1999, my fiancé would have died as a result of his injuries. Maybe not on the date of the accident, but surely from the inadequate care he would have been forced to accept from Medicaid.

- Because of the broad scope of benefits provided under the act, he had access to licensed, skilled professionals.
- As a result, he as been able to avoid many of the hazards that are known to afflict spinal cord injury survivors such as persistent skin breakdown and flesh destroying infection.
- Moreover, Michigan would not have reaped the benefits from the hundreds of jobs that my company produced over the years.

The Michigan No-Fault System works. It provides wonderful benefits at a reasonable cost. If you familiarize yourself with the re-insurance provided to no-fault insurers by the Michigan Catastrophic Claims Association, you will see that the system is well funded and fully solvent.

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Therefore, I ask you these questions:

What if YOUR CHILD was severely injured in a car accident? Even your health insurance has limits. Would YOU accept inadequate care for YOUR CHILD, or would you want access to the complete set of services available to give YOUR CHILD the best chance to have the highest quality of life possible?

We learned first hand just how VALUABLE the current Michigan No-Fault model is, and that it is truly the most efficient model for the care of survivors of catastrophic auto accidents and their families. Ours is a model that is funded by drivers for drivers, and provides the resources that injury victims and families need when faced by a tragic automobile accident. Accidents can happen to anyone, at anytime and anyplace. Accidents do not discriminate. Our system protects our citizens and allows Michigan to be a leader in spinal cord and brain injury research.

Rather than choosing insurance company profits over the health of Michigan residents. This legislative body would better serve this state by exploring ways to capitalize and promote the asset that Michigan has in the form of comprehensive facilities providing top quality care to SCI/TBI survivors and to use that data to tout Michigan as a research and care center which is the best in the nation.

House Bill 4936 adds NOTHING to the value of this state, the safety of the community or Michigan businesses? This bill has only one objective: to increase the already massive profits of the auto insurance industry. By reducing their obligation to pay only the first \$250,000.00 of medical costs for catastrophic injuries, the insurers become more profitable by offering graduations of PIP coverage in exchange for even HIGHER premiums! This will ultimately bankrupt families who have been coaxed into buying low coverage without understanding the facts. Insurance companies are CURRENTLY denying legitimate claims to countless survivors on a daily basis! We'd be foolish to believe the insurance companies will exert any extra effort or go out of their way to educate consumers about the very real need for comprehensive benefits?

The proposed changes in House Bill 4936 will ultimately lead to a MASSIVE loss of jobs, businesses closing their doors, and MANY more bankruptcies due specifically to medical bills. The economy in Michigan is finally turning around, and we CANNOT afford to make any critical errors in navigating towards recovery.

To provide specific insight regarding HB 4936's limits on personal care services, I currently pay our health aides \$13.00 per hour, and Registered Nurses are paid \$30.00 to \$38.00 per hour. As a business owner I still have to cover all of the overhead, supervision, training and clinical care that go along with providing a necessary and valuable service. If House Bill 4936 passes, how many Registered Nurses will be willing to work for \$17.00 per hour? How does cutting the pay of skilled workers BENEFIT MICHIGAN'S ECONOMY when insurers are continually consolidating claims offices, laying off employees and sending their profits out of the State?

More importantly, if this bill is enacted:

- We WILL see **increased taxes** resulting from a **massive cost shift** from no-fault insurance to Medicaid and Medicare.
- We WILL see **increased health insurance costs** resulting from the massive cost shifts from no-fault insurance to health insurance plans.
- We WILL see a **tremendous loss of jobs** resulting from diminished reimbursement to medical providers who treat severely injured accident victims.
- We WILL see **reduced access to medical care** resulting from unfunded essential medical and rehabilitation services.
- We WILL see **increased insurance premiums** resulting from the need to purchase higher liability insurance to protect consumers from increased exposure to liability for a victim's unfunded medical expense.
- We WILL see **increased litigation** resulting from victims suing at-fault drivers for unfunded medical care.
- We WILL see **limited insurance coverage** for seniors, disabled people, and those who do not drive resulting from statutorily mandated minimum coverage for non-motorists who have no household auto insurance coverage.

Lastly, there is no ONE SINGLE WORD in House Bill 4936 that which requires auto insurers to reduce auto insurance premiums and keep those premiums reduced for a significant period of time. The loss of essential insurance benefits resulting from this litigation would be permanent, while any rate relief that may occur would be minimal and temporary.

House Bill 4936 is BAD for drivers, BAD for tax payers and BAD for Michigan business!

Cast your vote for drivers, for tax payers and for Michigan business – vote AGAINST HB 4936

Warm regards,



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